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Focus Feature
CRUSHERS AND BREAKERS
Starts on Page 5

COAL INDUSTRY NEWS

Coal's National Newspaper

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Senate Finance Panel Tax Package Shuns BTU, Other Major Levies

By S. Lawrence Paulson
and Steve Marcy

WASHINGTON — The Senate Finance Committee, meeting into the wee hours, voted along party lines in favor of a $21 billion tax package that includes no major energy tax.

But while the panel decided against taking up the politically sensitive issues of an oil consumption tax or import fee, it did include in its bill several provisions that are expected to be opposed by the major oil companies.

Energy producers, including the coal industry, lobbied against a BTU tax on all energy production although the mining industry would not have been too disappointed to see a tax applied only to oil.

At a press conference, Finance Committee Chairman Robert Dole, R-Kan., said he was optimistic about the bill's chances in the full Senate and in the House despite the party-line 11-9 vote approving the measure. Dole said that "if the Democrats wanted to frustrate what we were doing, they could have kept us (the committee) there until next week."

The House Democratic leadership has allowed the Senate to take the lead in forging a tax package, but there is a possibility that the House may approve a bill substantially different from the Senate's. If that happens, the real bill will be written in a House-Senate conference committee.

The Finance Committee legislation will also face some opposition on the Senate floor, especially from liberal Democrats who feel the legislation does not go far enough in curtailing business tax breaks.

Dole said that an energy tax to raise part of the $21.9 billion called for in the Congressional Budget Resolution was never much more than "on the back burner," from where the fire under it flickered and died.

(Continued on page 4)

NEWS ROUNDUP

British coal miners and the Thatcher government moved closer to confrontation as the National Union of Mineworkers voted to seek a 27.70-pound across-the-board wage increase effective Nov. 1. The demand equals a 31 percent jump in salary for the lowest paid surface workers and dips to a 22.5 percent rise for underground miners now earning $121.55 pounds a week. **Signals from the government suggest rejection** of the demand by the National Coal Board as indicated by the call from Chancellor of the Exchequer Sir Geoffrey Howe for "very low pay rises indeed." The union also announced it would support the British railway engineers' strike and oppose coal transport by rail or diversion of the fuel to trucks.

* * *

Tesoro Petroleum Corp.'s coal subsidiary **sold substantially all of its assets for $4 million** last week to an operating subsidiary of Elk River Resources Inc., a division of Sun Co. Inc. The sale ends Tesoro Coal Co.'s mining operations.

* * *

Nineteen Japanese banks will provide $80 million in financing for Alberta's Gregg River coal project through Japan Finance Enterprises, Fuji Bank Ltd. said as lead manager. Organized in Alberta by seven Japanese steel and trading companies, JFE holds 40 percent of the project with the remainder held by Gregg River Resources, an affiliate of Manarta Coal of Canada.

* * *

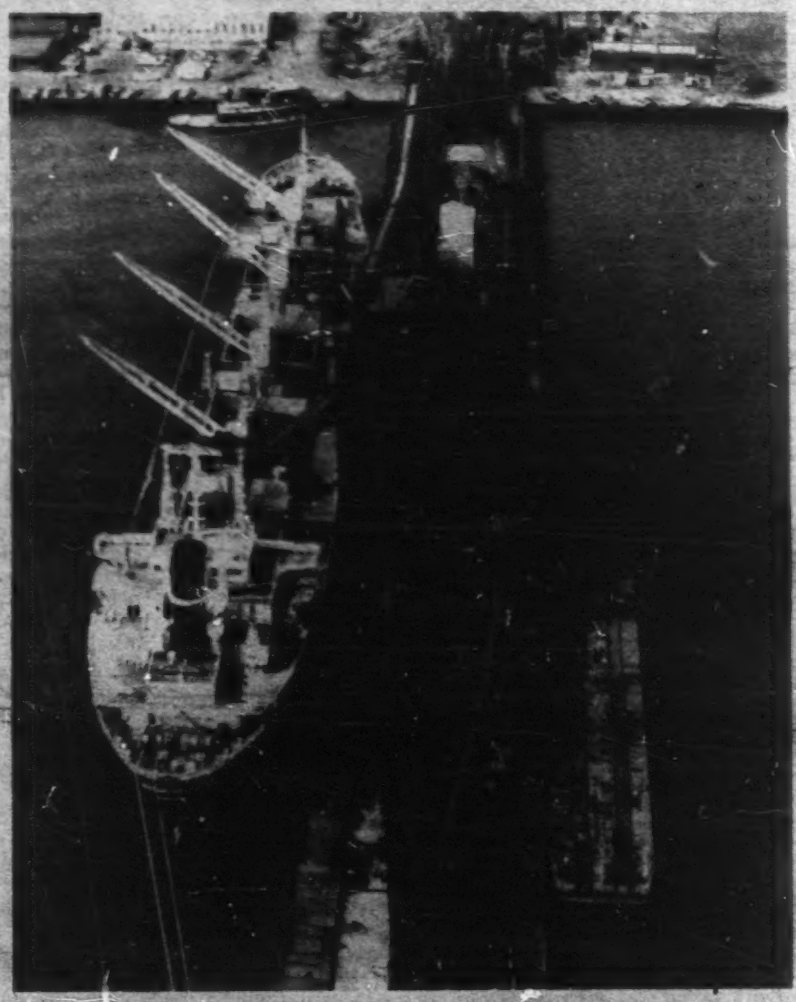
United Mine Workers of America President Sam Church urged the De-

(Continued on page 4)

INSIDE

A GLOOMY ATMOSPHERE caused by soft markets and decreased profits permeated this year's National Coal Association convention. Many attendees suggest there aren't easy answers, reports Steve Marcy **on page 2.**

HIGH RAIL RATES may force southwestern utilities away from Powder River Basin coal and toward lignite and coal from Illinois, warns a top Houston utility executive. **Story on page 2.**



First East U.S. Steam Coal Loaded for Japan

THE FIRST LOAD of Kentucky steam coal ever shipped to Japan by Utah International from an eeastern port is loaded at Chessie System Railroads' Pier 15 in Newport News, Va. Filling the hold of the "Ocean Grace" is 28,315 tons of steam coal that will be used for electrical generation. Utah International has long been a supplier of coal to Japan, but nearly all of it came from mines in Australia.

Soviets Seek W. German Liquefaction Technology

By John M. Bradley

BONN — The Soviet Union is seeking West German mining expertise, coal conversion technology, and possibly credits to develop its huge coal deposits in eastern Siberia. If realized, the project would dwarf the recently signed $10 billion gas deal.

With an estimated 140 billion tons of lignite deposits, Siberia's Kansk-Atschinks Basin rates among the seven largest brown coal fields in the world. And it is the site where the Kremlin wants to build a series of conversion plants with a total capacity of 100 million tons of synthetic fuel yearly.

Although referred to as a "planner's fantasy" by skeptics here, leading coal executives recently accompanied Graf Otto Lambsdorf, the West German Economics Minister, to Moscow with a German trade delegation to discuss the project in detail.

There are 14 experimental and pilot plants now operating or in the planning stage in Germany, but technologies remain too expensive to produce commercially.

West German coal experts, however, believe coal recovered from the Siberian field may be inexpensive enough to make large-scale conversion economically feasible.

Dr. Karlheinz Bund, chairman of the board of Ruhrkohle A.G., said the cost of the building gasification and liquefaction plants and developing the infrastructure in what is one of Russia's most inhospitable and remote areas would "cost in the neighborhood of $44 billion over a period of 10 years."

Salzgitter chairman Heinz Pieper, who was in Moscow with Bund, said the project could be worth between $1.6 billion and $2.9 billion in contracts for West German manufacturers and suppliers.

Whatever the outcome of the latest West German-Soviet negotiations, development of the Kansk-Atschinks Basin, which lies some 3,000 miles northeast of Moscow, figures prominently in Russia's energy development program.

Problems Abound

But in developing the Basin, acquisition of German technology will be the least difficult obstacle for the Russians to overcome.

Problems created by the nature of Russia's planned economic system are epitomized in the country's coal fields. The 1976-80 plan called for the production of 805 million tons of coal. By the close of 1980 it stood at 716 million tons — 89 million tons short of the quota.

Production, after impressive gains, has been dropping steadily for the past three years. By the end of last year, production was already 6.6 million tons down from the previous year and is 16 million tons behind on the current five-year plan.

Chronic transportation problems com-

(Continued on back page)

European Report

James B. Crawford Named President Of Transco Energy's New Coal Unit

HOUSTON — James B. Crawford has been named president of Transco Coal Co., the new Transco Energy Co. subsidiary formed after acquisition of coal mining operations in eastern Kentucky earlier this year.

Crawford was previously senior vice president for corporate development, with primary emphasis on evaluating new business opportunities for Transco in coal. Before joining the company early in 1981, he was executive vice president of A.T. Massey Coal Co.

With its headquarters in Richmond, Transco Coal will have operating as subsidiaries Bell County Coal Corp. and Johns Creek Coal Corp. (with its wholly-owned subsidiary, McKoy/Elkhorn Coal Corp.) which will produce coal; Blue Crystal Coal Sales Co., which will market coal, and Transco Coal Services Co., which will provide general management and administrative support.

Crawford said the Transco Coal management team includes Robert C. Miser, senior vice president, and Sam S. Johnson, vice president of planning and development for Transco Coal Services; J.B. Williams, vice president for operations of Bell County Coal; James B. Dotson, vice president for operations of McKoy/Elkhorn Coal, and William E. Massey Jr., president of Blue Crystal.

COAL INDUSTRY PEOPLE

HARRIS

BARBER

James Barber has been promoted to the post of vice president, sales and distribution, at Pall Industrial Hydraulics Corp.

The Valley Camp Coal Co. announced the promotion of **Richard C. Harris** to executive vice president, operations.

Wen-Don Corp. announced the appointment of **James W. Davis** to manager, technical services, Coal Products division.

Environmental Management Services Co., a Colorado-based firm specializing in permitting and environmental services for the mining and energy development industries, has named **William R. White** reclamation manager.

Charles E. Taylor has rejoined the ship agent and brokerage firm of T. Parker Host, Inc. as vice president, coal traffic.

Thomas G. Norris, vice president of planning and development for Standard of Ohio, has joined Sohio's Old Ben Coal Co. in a newly created position as executive vice president for marketing and development.

Ed Radjunas has transferred to the sales and marketing department of Ashland Coal, Inc.

General Coal Co., international and domestic sales subsidiary of Westmoreland Coal Co., announced the promotions of **Samuel G. Bickford** to vice president, inland sales, **Joseph W. Lee** to vice president, purchasing, and **Edward J. Demeter** to assistant vice president, purchasing.

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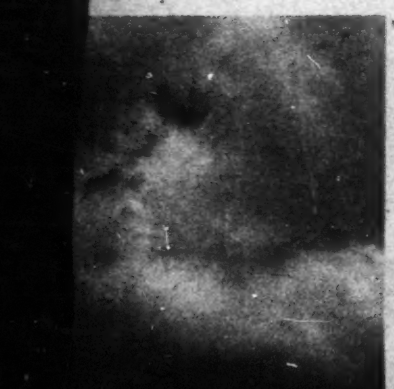

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ANR Coal Sales Unit is Formed

ROANOKE — ANR Coal Co., a division of American Natural Resources Co., has formed a new subsidiary, ANR Coal Sales Inc., to act as exclusive sales agent for three other ANR Coal subsidiaries.

ANR Coal President John W Hancock, who will also be president of the sales company, said the new subsidiary will be the agent for Brooks Run Coal Co., Enterprise Coal Co. and Virginia Iron, Coal and Coke Co.

Other principal officers are Robert J. Hummel, senior vice president; Michael E. Riley, vice president for export sales, and S. Frank Smith, vice president for domestic sales.

ANR Coal Sales' headquarters will be in Roanoke, Hancock said.

Old Ben Realigns Executive Roles

CHICAGO — Old Ben Coal Co. has made executive personnel and organizational changes in line with a reorganization started last year and to incorporate recent acquisitions, according to Hugh W. Evans, president of the Standard Oil of Ohio subsidiary.

Operations under the direction of Executive Vice President Michael M. O'Brien will consist of four divisional offices, each headed by a vice president:

- James D. Chady of the Illinois division, formerly manager of that unit.
- E. Wayne Parke of the Indiana division, formerly manager of that unit.
- Gene D. Shockey of the Pennsylvania division, who was formerly operations vice president for Old Ben's general Appalachian area.
- And Peter A. Ferguson of the West Virignia division, formerly vice president for operatons of Jim Walter Resources Inc., Brookwood, Ala.

Other reassignments within Old Ben include Richard B. Sachoff, former employee relations manager, as corporate manager for industrial relations and safety, and Rodney F. Rhoads, former manager of employee selection and development, as corporate manager for equal employment opportunity and management development.

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NEWS ROUNDUP

The Interstate Commerce Commission **approved a financing plan last week for a new Powder River Basin rail access route** proposed by Chicago and North Western Transportation Co. Approval follows ICC clearance of a series of transactions July 24 giving Chicago and North Western access to Powder River Basin coal via track to be jointly owned with the Burlington Northern Railroad. Plans call for coal to be shipped over the jointly owned line, then over rehabilitated and newly constructed lines in Wyoming and Nebraska. But **price remains an issue between the two carriers**, and the ICC says if an agreement can't reached, it will set the price itself.

* * *

Occidental Petroleum Corp. Chairman Armand Hammer dedicated a new Baltimore coal transshipping facility, saying it **"tells the world that America's tremendous energy reserves in the form of coal are not standing idle."** Oxy subsidiary Curtis Bay Co. will operate the Bay Side Transshipping Terminal which can store up to 500,000 tons of coal using eight stacking towers and a system of conveyors. Hammer said Bay Side will expedite coal movement to northeastern states.

* * *

Armco Inc. announced **two compliance quality steam coal contracts for more than $100 million** with Weyerhauser Co. and Container Corp. of America for delivery of some 250,000 tons of low sulfur coal yearly from Armco's West Virginia mines.

(Continued on page 2)

When Quality is Critical

AMERICAN Cyanamid's David Gaefke inserts coal samples into a LECO Sulfur Determinator to measure sulfur content of coal at Pittsburgh technical service laboratory. Sophisticated quality analysis is becoming increasingly a part of consulting engineers' chores, including environmental analysis for regulatory agencies and investment analysis for banks. For a closer look at this rapidly changing industry, see the Focus beginning on page 8.

Westerners Preparing Amendment To Ease Clean Air Requirements

By Steve Marcy

WASHINGTON — Two western senators will offer to the Senate Environment Committee an amendment to the Clean Air Act this week that could make it a little easier for utilities to burn eastern high-sulfur coal while allowing western coal into the markets, Senate sources said.

But even if the committee completes its months of deliberations on the Clean Air Act — as could happen this week — these sources doubt the bill will come to the floor this session.

"(Senate Majority Leader) Howard Baker doesn't want to see anything this controversial before the election," one source told *Coal Industry News*, despite pressure from President Reagan and promises from Baker that he would push the Senate on the issue. "He's basically been just going through the motions," a committee source said.

But a lame-duck session appears inevitable for Congress to address spending bills and other controversial measures no one wants to confront before the election. The Clean Air Act amendments could come up with them, sources say.

Replaces 'Percentage Reduction'

The amendment would replace the "percentage reduction requirement," which requires 90 percent of the sulfur dioxide to be removed from the stack gases where high sulfur coal is burned and 70 percent of the sulfur dioxide from the burning of low-sulfur coal.

The amendment, sponsored by Sens. Alan K. Simpson, R-Wyo., and Pete Domenici, R-N.M., would direct the Environmental Protection Agency to devise a new standard for new pollution sources. EPA must base it on historical coal use, making it the rough equivalent of the percentage reduction requirement.

The overall effect would be a slight easing of the sulfur reduction requirement for eastern coal burned in new power plants,

(Continued on back page)

INSIDE

SLURRY LEGISLATION heads for debate next month on the floors of the House and Senate. **Story on page 2; Washington, FYI on back page.**

A COLORADO INITIATIVE to boost that state's severance tax failed to attract the needed signatures and won't be on the November ballot. That and other **Reports from our Correspondents on page 5.**

Samples to Retire as Consol Chief, B.R. Brown Designated Successor

STAMFORD, Conn. — R.E. "Gene" Samples, chairman and chief executive officer of Consolidation Coal Co., will take early retirement Aug. 31 to pursue other coal industry interests, announced officials of Consol's parent, Conoco Inc.

Coal Industry News has learned that Samples will become president and chief operating officer of Arch Minerals Corp. of St. Louis on Sept. 1.

He will be succeeded at Consol by B.R. Brown, Consol's president and chief operating officer.

Samples originally joined Consol in 1966. He left the company in 1973 to become senior vice president of Amax Coal Co. but rejoined Consol two years later as its president and chief operating officer.

He was elected in 1977 to his present Consol position as well as being named president of Conoco's coal and minerals operations.

Graduating from the New Mexico Institute of Mining and Technology in 1949, Samples immediately went to work as a mining engineer for the Northern Illinois Coal Corp., later merged into Peabody Coal Co. He worked for Peabody until 1966.

Brown has been Consol's president and chief operating officer since November 1977. He was Conoco's senior vice president for personnel when he joined Consol as executive vice president in March of that year.

R.E. "GENE" SAMPLES
...in coal since 1949

He'd joined Conoco 20 years earlier and had advanced through a series of positions in the company's production and personnel departments. Brown is a native of Hamburg, Ark., and a graduate of the University of Arkansas.

Regulations to Dictate Underground Vehicle Technology Advances

By Sharon Denny

WASHINGTON — Government and union regulations will be as instrumental as the marketplace in dictating technological advances in underground coal mining vehicles, engineers say.

"We have to build what the market demands," said Scotty Green, director of engineering for Joy Manufacturing in Pittsburgh. "But at the same time, we still have to develop equipment the government will allow underground."

In response to the market, mining vehicle manufacturers are turning increasingly to thin-seam miners and haulers to work East-

FOCUS:
Coal Vehicles

ern mines where thicker seams already have been mined.

That aside, the key question facing manufacturers is what energy source will become predominant underground. Today, the debate centers around the relative merits of diesel, electric or battery-powered equipment.

Opinions Differ

Although all three types are operating in U.S. mines, research and development experts offer diverse opinions on the reliability and usefulness of each energy source.

"My personal assessment is that diesel will not turn out to be the prevalent energy

(Continued on page 6)

FACTS & FIGURES

Domestic

	WEEKLY 7/31/82	7/24/82	8/1/81
Production			
Bituminous, recent week	15,288	14,441	17,765
Bituminous, year to date	**491,038**	**424,526**	—
Anthracite, recent week	116	109	102
Anthracite, year to date	**3,857**	**3,143**	—
Railroad carloadings			
Bituminous, recent week	112,099	105,656	128,728
Bituminous, year to date	**3,356,082**	**2,880,348**	—
Anthracite, recent week	259	328	374
Anthracite, year to date	**6,277**	**8,921**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 7/31/82	7/24/82	8/1/81
Production by states, bituminous and lignite			
Eastern			
Alabama	480	425	620
Georgia	—	—	—
Illinois	1,155	991	1,395
Indiana	610	537	625
Kentucky:			
Eastern	2,044	1,831	2,512
Western	782	739	1,022
Total, Ky.	**2,826**	**2,570**	**3,534**
Maryland	76	72	83
Ohio	729	688	840
Pennsylvania	1,240	1,210	1,816
Tennessee	178	168	295
Virginia	800	705	975
West Virginia	1,975	1,848	2,410
Total, Eastern	**10,069**	**9,214**	**12,593**
Western			
Alaska	14	13	13
Arizona	240	260	220
Arkansas	4	3	8
Colorado	355	375	375
Iowa	11	12	12
Kansas	14	13	16
Missouri	98	100	125
Montana	750	675	630
New Mexico	400	400	325
North Dakota	340	350	318
Oklahoma	100	94	90
Texas	650	600	725
Utah	267	295	240
Washington	92	87	115
Wyoming	1,884	1,950	1,960
Total Western	**5,219**	**5,227**	**5,172**
Total, United States	**15,288**	**14,441**	**17,765**

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 6/82	5/82	6/81
Coal Labor			
All employees			
Coal Mining	240.0	244.6	233.7
Bituminous & Lignite	241.2	244.1	230.1
Production employees			
Coal mining	196.7	201.3	192.9
Bituminous & Lignite	193.7	198.3	189.7
Hours, weekly average			
Coal mining	40.3	40.3	34.8
Bituminous & Lignite	40.3	40.3	34.7
Earnings, hourly average			
Coal mining	12.80	12.33	11.89
Bituminous & Lignite	12.84	12.37	11.95
Earnings, weekly average			
Coal mining	515.84	496.90	413.77
Bituminous & Lignite	517.45	498.51	414.67

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 5/82	4/82	5/81
Bituminous and Lignite			
Consumption			
Electric power utilities	45,523	43,403	44,908
Coal user stocks of coal			
Electric power utilities	167,805	161,720	143,500
Anthracite			
Consumption			
Electric power utilities	98	88	91
Coal user stocks of coal			
Electric power utilities	5,569	5,549	5,008

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	5/82	4/82	5/81
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	93,011	88,124	88,941

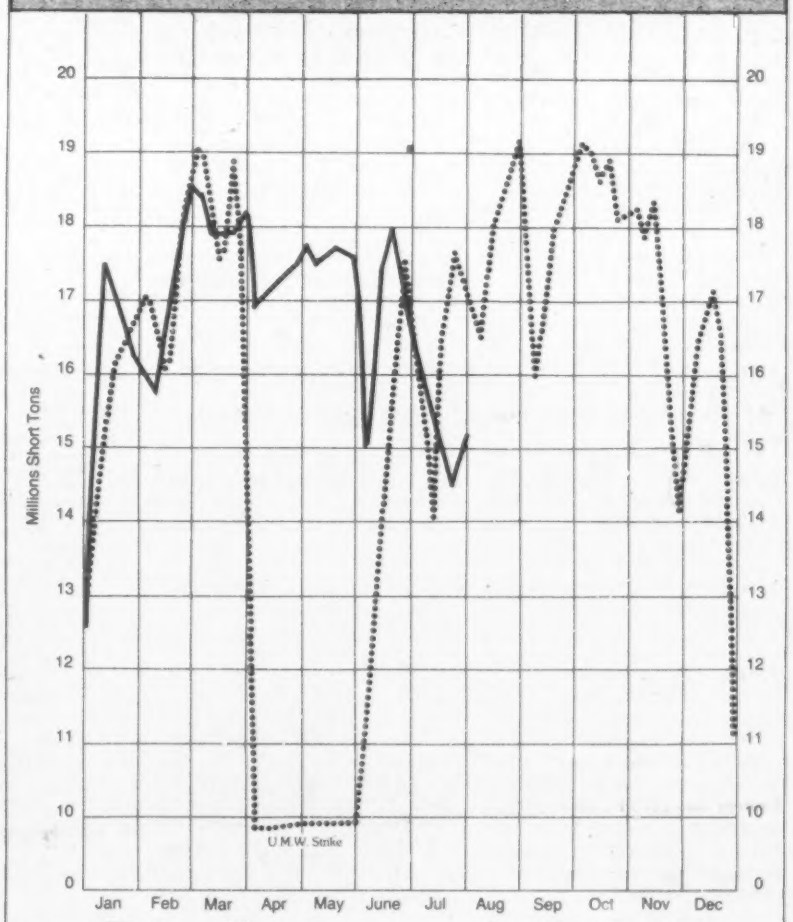
Price Indexes	MONTHLY 4/82	3/82	1/82
Bituminous Coal and Lignite	103.7	103.3	102.1
Primary Products	104.0	102.8	101.4
Prepared	103.3	102.8	101.7
Steam electric utilities	103.7	103.2	102.0
North Appalachia	102.4	101.4	100.2
Spot	N.A.	101.9	N.A.
Contract	103.6	101.3	99.4
South Appalachia			
Contract	97.5	97.0	100.7
Midwest	108.3	108.4	103.7
Contract	109.5	109.6	104.3
West	105.0	104.3	103.0
Contract	105.0	104.3	103.0
Metallurgical/coke producer	101.3	101.3	100.0
High volatile	101.4	101.6	99.8
North Appalachia	99.7	100.5	100.1
Contract	99.8	100.6	100.2
South Appalachia			
Contract	102.5	102.4	99.6
West	99.4	99.4	100.6
Low volatile	101.2	100.0	100.4
North Appalachia			
Contract	96.7	100.6	99.9
South Appalachia			
Contract	102.7	101.2	100.6
All other industrial	101.7	100.6	101.0
North Appalachia			
Contract	97.5	95.2	96.2
Midwest			
Contract	102.0	102.0	100.5
Unprepared (raw)	106.5	103.0	100.7
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	107.6	107.7	105.6
Anthracite	154.5	154.6	153.1
Primary products	154.2	154.2	153.0
Prepared anthracite shipped	155.2	155.3	153.8
Stove	151.3	151.3	145.7
Chestnut	150.9	150.9	145.1
Pea	163.1	163.1	163.1
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	162.9	162.9	162.9
Buckwheat no. 4	147.0	147.0	N.A.
Buckwheat no. 5	112.0	112.0	N.A.

N.A.—Not Available

Source: Bureau of Labor Statistics, Dept. of Labor.
Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

LATEST U.S. PRODUCTION

Estimated Bituminous Coal and Lignite



Bituminous coal and lignite production in the week ended July 31 increased 5.9 percent to 15.288 million short tons. This was below the 17.765 million tons from the corresponding week of a year ago when utilities were building depleted stocks after the United Mine Workers strike. However, total bituminous coal and lignite production from Jan. 1 through July 31 reached 491.038 million tons, 15.7 percent more than during the first seven months of 1981.

Exports & Imports

	Quantity in short tons 6/82	5/82	6/81	Dollar Value 6/82	5/82	6/81	Avg. Value per short ton 6/82	5/82	6/81
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	202,050	436,811	1,295,689	12,038,084	24,026,970	78,747,600	59.57	55.00	60.78
Brazil	510,322	170,396	147,502	21,654,699	21,291,035	9,353,227	42.43	124.95	63.41
Canada	971,603	804,644	297,755	61,519,076	50,502,566	17,207,577	63.31	62.76	57.79
France	571,138	236,344	—	27,621,827	13,106,875	—	48.36	54.99	—
Germany, F.R. (West)	—	187,652	114,013	—	9,595,700	7,041,817	—	51.13	61.76
Italy	1,076,370	801,879	563,410	50,961,484	40,611,212	35,390,208	47.34	50.64	62.81
Japan	2,230,469	1,469,290	—	129,332,446	86,742,317	—	57.98	59.03	—
Netherlands	424,647	469,643	—	21,621,827	25,438,787	—	50.91	54.16	—
Spain	371,891	331,821	—	15,246,865	16,364,339	—	40.99	49.31	—
Sweden	202,374	320,389	—	11,772,279	17,279,157	—	58.17	53.93	—
United Kingdom	—	260,956	—	—	16,725,902	—	—	64.09	—
Yugoslavia	73,013	77,830	98,251	4,858,867	4,624,744	5,921,008	66.54	59.42	60.26
Total, above	6,633,877	5,569,655	2,752,866	356,627,454	326,309,604	165,725,452	53.75	58.58	60.20
Total, other nations	474,449	1,045,206	300,826	30,122,774	36,449,925	16,822,722	63.49	34.87	55.52
Total, all nations	**7,108,326**	**6,614,861**	**3,053,692**	**386,750,228**	**362,759,529**	**182,548,174**	**54.40**	**54.84**	**59.78**

	Quantity in short tons 6/82	5/82	6/81	Dollar Value 6/82	5/82	6/81	Avg. Value per short ton 6/82	5/82	6/81
Bituminous coal, others No. 5213120									
Belgium	177,444	170,529	—	8,904,224	7,914,792	—	50.18	46.41	—
Canada	1,917,754	1,607,327	596,144	96,280,708	82,291,710	32,606,279	50.20	51.19	46.71
China, Taiwan	63,673	92,329	193,547	2,772,646	4,684,820	8,310,901	43.54	50.74	42.94
Denmark	61,269	289,202	393,921	2,056,537	14,584,018	19,646,910	33.56	50.42	49.88
Finland	32,808	—	—	1,488,175	—	—	45.36	—	—
France	504,715	526,551	361,410	22,762,167	24,313,551	15,891,111	45.09	46.17	43.97
Germany, F.R. (West)	131,331	126,000	—	6,947,963	6,452,369	—	52.90	51.20	—
Italy	346,324	271,146	185,457	17,847,740	13,161,845	8,293,546	51.53	48.54	44.72
Japan	314,530	234,479	366,230	14,476,559	12,119,510	17,938,487	46.02	51.68	46.45
Netherlands	253,595	411,456	214,444	13,517,427	20,178,397	59,865	53.30	49.04	35.80
Spain	323,152	163,208	161,172	13,739,857	6,912,126	6,647,834	42.50	42.35	41.25
Total, above	4,126,595	3,892,227	2,594,325	200,794,003	192,613,138	119,531,383	48.65	49.48	46.07
Total, other nations	222,187	180,936	223,671	11,282,574	9,486,586	11,270,731	50.77	52.43	50.39
Total, all nations	**4,348,782**	**4,073,163**	**2,871,996**	**212,076,577**	**202,099,824**	**130,802**	**48.78**	**49.61**	**46.42**
Lignite No. 5213130									
Total, all nations	**8,735**	**11,190**	**2,977**	**553,762**	**738,002**	**532,723**	**63.39**	**65.95**	**178.95**
Coal coke for use as fuel No. 5213148									
Total, all nations	**149,004**	**130,840**	**200,347**	**7,330,428**	**7,424,894**	**12,118,931**	**49.19**	**56.74**	**60.48**
Petroleum coke, except calcined No. 5213150									
Canada	39,838	60,818	—	2,368,668	3,474,275	—	59.95	57.06	—
Japan	166,600	154,008	142,239	8,698,840	7,684,422	7,006,046	52.21	49.89	49.27
Netherlands	133,756	35,053	114,341	7,123,147	2,288,998	5,223,011	53.25	65.30	45.68
Total, above	340,194	249,879	256,580	18,210,653	13,447,695	12,231,067	53.53	53.81	47.67
Total, other nations	461,742	498,876	324,254	21,641,217	23,121,603	15,338,786	46.86	46.34	47.30
Total, all nations	**801,936**	**748,755**	**580,834**	**39,851,870**	**36,569,298**	**27,569,853**	**49.69**	**48.84**	**47.47**
Compositions for fuel No. 5213160									
Total, all nations	**19,096**	**527**	**73**	**652,763**	**75,946**	**9,776**	**34.18**	**144.11**	**133.92**
Anthracite No. 5213170									
Korea Rep. (South)	—	—	247,541	—	—	7,637,414	—	—	30.85
Total, all nations	**44,906**	**41,064**	**283,135**	**4,037,035**	**6,179,829**	**10,066,615**	**89.89**	**67.19**	**35.55**

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Focus on TRANSPORTATION Starts on Page 7

COAL INDUSTRY NEWS

Coal's National Newspaper

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NEWS ROUNDUP

Three western railroads won Interstate Commerce Commission permission to **merge into a system that would blanket the western two-thirds of the country** from the Mississippi River to the Pacific Ocean. The Union Pacific and Missouri Pacific Railroads would consolidate and abosorb the smaller Western Pacific, forming a 22,740-mile system that would stretch through 21 states. ICC Chairman Reese Taylor said the commission's written opinion will be released today, and that the merger will become effective 30 days later.

Officials of other rail carriers expressed alarm at the prospect, including Benjamin Biaggini, chairman and chief executive officer of Southern Pacific Co. He said **S.P. will fight the merger in the courts** and that it has already filed a notice with the federal court of appeals in Washington, D.C., to stop it.

* * *

Rio Grande Industries and Consolidation Coal Co. have formed a joint venture **to construct and own approximately 62 miles of railroad** between Acco and Emery, Utah, at an estimated cost of $70 million. Application by Rio Grande's rail subsidiary, The Denver and Rio Grande Western Railroad Co., as operator of the long-term lease, will be filed shortly with the Interstate Commerce Commission.

* * *

A memorandum of understanding between the Intermountain Power Project and Consol, involving supplies for the massive power plant being built near Delta, Utah, **quietly lapsed Aug. 31** because the project will likely being scaled down from four to two units. Negotiations for a new supply agreement will begin "hopefully later this year," a Consol spokesman told *Coal Industry News*.

* * *

Nigeria is ready to form ventures to mine its known coal reserves of more than 350 million tons, according to Ibrahim Hassan, minister for mines and power. He told the Nigerian-American Chamber of Commerce in New York that such ventures would move the country toward its goal of mining 2.5 million tons annually for electric power generation. Nigeria currently mines less than a million tons per year, Hassan noted.

* * *

Consolidated Rail Corp. **reduced its coal carrying rates from West Virginia to Philadelphia export terminals** by 38 to 44 percent, effective Oct. 1. The re-

(Continued on page 2)

Battle for Union Presidency

UMW Election is a Classic Confrontation

By Steve Marcy

THE STRUGGLE for the hearts and minds of the United Mine Workers of America is coming down to a classic confrontation between a grizzled veteran and an upstart union reformer.

Incumbent president Sam Church Jr., 45, pits his experience and a 37 percent wage increase he won for his members in the 1981 labor agreement against Richard Trumka, a miner turned accountant and lawyer.

The 33-year-old Trumka fears the union is about to run aground on financial rocks, has no overall strategy for organizing non-union mines and is pushing neither the administration nor Congress hard enough to develop a comprehensive, coal-based energy policy.

The battleground for the soon-to-intensify struggle will be the shift changes at mine-mouth bath houses and weekend rallies. It will feature cookouts, glad-handing and passing of the hat.

The campaign will intensify in mid-October when Church plans to hit the trail full-time. The smoke clears Nov. 9 — union election day.

Here's how the issues are shaping up:

- The Church campaign says experience counts. The Trumka campaign says the present UMW administration has been lagardly in pushing Congress and the administration for a coal-based energy policy, for deepening of coastal ports to take advantage of the export market, for conversion of some 60 eastern oil and gas-fired utilities to coal, and for government-backed research for synthetic fuels technologies.
- The Church campaign says it has organized 160 new mines during the Church presidency. Trumka says many of those mines employ fewer than 10.
- The Church campaign says Trumka is arrogant and over confident, exemplified by the year he has spent trying to organize a coal mine near Garland, Okla. The Trumka campaign says the effort was not to organize a non-UMW work force, but to convince a coal company to sign the 1981 wage agreement and twist through a thicket of legal proceedings brought on by a change in ownership, factors outside of Trumka's control.

SAM CHURCH JR.
...grizzled veteran

RICHARD TRUMKA
...upstart reformer

If Trumka's energy policies sound a little bit like Jimmy Carter's, then so might his whole campaign. He's dubbed it, "Why not the Best?", the same moniker Carter used on his 1976 autobiography.

Trumka calls it "a coincidence," but notes that most miners probably wish Carter were in the White House today. He says, however, that the past two administrations "have only paid lip service to an energy policy based on coal."

Trumka announced his candidacy in November. The Church forces have portrayed him as campaigning full-time ever since, a perception the Trumka allies try strenuously to counter.

Trumka is employed by the UMW as an International Executive Board member from District 4 in western Pennsylvania, elected by miners in the district but with his responsibilties and tasks assigned by Church. Basically a union troubleshooter, who often handles pension, safety and benefit grievances of the miners, Trumka is so sensitive about the campaigning-on-union-time issue that he refuses interviews during office hours. He scrupulously docks from his lunch period any campaign-related minutes that spill over into the work day.

Busy Off-Hours Schedule

But during his off hours, Trumka makes as many mine visits as he can squeeze into overnight trips to the coal fields, always trying to arrive back at District 4 headquarters in Masontown, Pa., by 9 a.m. Press aide Joe Corcoran expects the sleepless, day-and-night schedule to intensify in coming weeks and says, "I don't know how he (Trumka) is going to do it."

Tack Cornelius, campaign press aide for Church and formerly a reporter for *The Lexington Herald*, expects the Church campaign

(Continued on page 24)

INSIDE

EPA'S "BUBBLE" CONCEPT, which would have encouraged more coal use, was overturned by a federal appeals court judge. **Story on page 2.**

SLURRY PIPELINE PRESSURE is being put on Virginia's congressional delegation from within the state as well as from outside for reasons ranging from a unique state law to the East's two leading private coal rail carriers having their headquarters there. That and other **Reports from our Correspondents on page 3.**

AN IMPRESSIVE CAMPAIGN to encourage greater use of coal within the United States is apparently not getting the support it deserves — a situation that should be remedied at once. **Editorial on page 22.**

Pennsylvania Senate Committee Takes a Look At Proposal to Increase Surface Mining Fee

HARRISBURG, Pa. — Pennsylvania is facing a financial crisis in surface mine reclamation and may lose its newly-gained primacy if it can't meet federal standards in restoring mined surfaces, state Secretary of Environmental Resources Peter Duncan told a Senate subcommittee hearing.

The special subcommittee of the Senate Environmental Resources Committee was probing DER's proposal to increase its $50-per-acre surface mining fee to $150. The fee increase was set to go into effect in June but was delayed pending a legislative review.

Duncan told the legislators that during the first half of 1982 mining operators abandoned 939 acres of scarred land, leaving the state with a $5 million reclamation tab against $1.4 million currently available for the work.

In his testimony Duncan indicated that even the $150-per-acre fee may not meet back-filling requirements, but later he told reporters the fee increase is "the only game in town."

Coal operators, who have gone to court over proposed primacy regulations, claimed they are paying too much now to guarantee backfilling.

John Shirvinsky, president of the Keystone Bituminous Coal Association, told the lawmakers "we've thrown as much money at the problem as we can. We have to look at ways to control the costs."

Shirvinsky suggested that DER could reduce costs by enforcing its concurrent backfilling requirements; making it easier and more profitable for reliable companies to mine and reclaim abandoned sites; and requiring small, new mine operators to put up higher bonds. — **John H. Baer**

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FACTS & FIGURES

Domestic

	WEEKLY 9/4/82	8/28/82	9/5/81
Production			
Bituminous, recent week	15,217	15,712	18,250
Bituminous, year to date	**506,544**	**515,646**	—
Anthracite, recent week	115	119	102
Anthracite, year to date	**4,235**	**3,734**	—
Railroad carloadings			
Bituminous, recent week	111,357	114,945	135,194
Bituminous, year to date	**3,923,803**	**3,543,634**	—
Anthracite, recent week	141	288	536
Anthracite, year to date	**7,256**	**11,786**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 9/4/82	8/28/82	9/5/81
Production by states, bituminous and lignite			
Eastern			
Alabama	478	493	584
Georgia	—	—	—
Illinois	1,150	1,187	1,484
Indiana	566	584	636
Kentucky:			
Eastern	2,034	2,100	2,701
Western	778	804	1,079
Total, Ky.	**2,812**	**2,904**	**3,780**
Maryland	76	79	88
Ohio	725	749	858
Pennsylvania	1,380	1,424	1,843
Tennessee	177	183	333
Virginia	743	767	1,172
West Virginia	2,264	2,338	2,554
Total, Eastern	**10,371**	**10,706**	**13,332**
Western			
Alaska	14	15	13
Arizona	195	201	219
Arkansas	4	4	9
Colorado	354	365	467
Iowa	11	11	14
Kansas	14	15	18
Missouri	97	100	126
Montana	601	621	639
New Mexico	318	329	289
North Dakota	323	333	326
Oklahoma	99	102	91
Texas	584	603	639
Utah	265	274	159
Washington	92	95	97
Wyoming	1,875	1,936	1,812
Total Western	**4,846**	**5,004**	**4,918**
Total, United States	**15,217**	**15,712**	**18,250**

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 7/82	6/82	7/81
Coal Labor			
All employees			
Coal Mining	232.8	239.7	247.6
Bituminous & Lignite	229.5	236.5	244.1
Production employees			
Coal mining	189.6	196.4	204.3
Bituminous & Lignite	186.7	193.4	201.2
Hours, weekly average			
Coal mining	—	40.0	—
Bituminous & Lignite	—	40.0	—
Earnings, hourly average			
Coal mining	—	12.78	—
Bituminous & Lignite	—	12.82	—
Earnings, weekly average			
Coal mining	508.69	511.20	484.01
Bituminous & Lignite	510.26	512.80	486.01

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 6/82	5/82	6/81
Bituminous and Lignite			
Consumption			
Electric power utilities	47,330	45,523	49,974
Coal user stocks of coal			
Electric power utilities	172,819	167,805	134,321
Anthracite			
Consumption			
Electric power utilities	94	98	105
Coal user stocks of coal			
Electric power utilities	5,603	5,569	5,081

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	6/82	5/82	6/81
Coal User Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	95,308	93,011	99,837

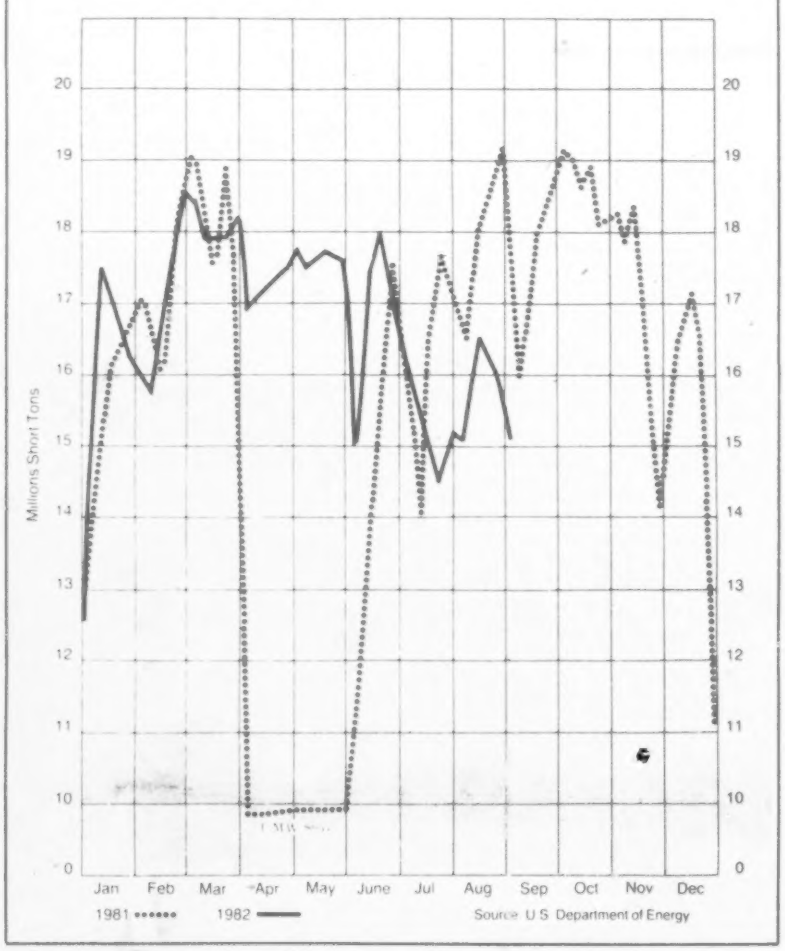
Price Indexes	MONTHLY 8/82	7/82	5/82
Bituminous Coal and Lignite	104.8	104.5	103.4
Primary Products	104.1	103.9	102.9
Prepared	104.4	104.1	102.9
Steam electric utilities	105.0	104.7	103.4
North Appalachia	104.8	104.0	101.1
Spot	98.9	99.6	98.7
Contract	105.7	104.8	101.4
South Appalachia			
Contract	98.0	98.8	97.8
Midwest	109.4	109.3	108.4
Contract	110.7	110.6	109.6
West	105.9	105.1	104.9
Contract	105.9	105.1	104.9
Metallurgical/coke producer	102.7	102.4	101.3
High volatile	100.8	101.1	101.6
North Appalachia	98.8	99.7	100.5
Contract	98.9	N.A.	100.6
South Appalachia			
Contract	102.0	102.0	102.4
West	100.1	100.0	99.4
Low volatile	105.7	103.6	100.4
North Appalachia			
Contract	103.8	99.7	98.9
South Appalachia			
Contract	107.3	N.A.	101.2
All other industrial	101.8	103.3	100.5
North Appalachia			
Contract	90.0	95.9	95.2
Midwest			
Contract	106.2	106.6	N.A.
Unprepared (raw)	103.1	103.2	102.9
For preparation at other establishments	99.8	N.A.	N.A.
For use without preparation	N.A.	108.2	107.7
Anthracite	153.8	153.8	154.6
Primary products	152.5	152.5	154.2
Prepared anthracite shipped	154.5	154.5	155.3
Stove	151.1	151.3	151.3
Chestnut	150.9	150.9	150.9
Pea	160.3	160.3	163.1
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	162.9
Buckwheat no. 4	143.9	143.9	147.0
Buckwheat no. 5	112.0	112.0	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Dept. of Labor.
Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

LATEST U.S. PRODUCTION

Estimated Bituminous Coal and Lignite



BITUMINOUS COAL AND LIGNITE production for the week ended Sept. 4 was estimated by the Energy Information Administration at 15.217 million short tons. This was a 3.2 percent decrease of 495,000 short tons from the preceding week. Production for the corresponding week last year was 18.250 million short tons. Bituminous and lignite production from Jan. 1 through Sept. 4 totaled 568.544 million short tons, 10.3 percent more than strike-shortened 1981.

Exports & Imports

	Quantity in short tons 7/82	6/82	7/81	Dollar Value 7/82	6/82	Avg. Value per short ton 7/81	7/82	6/82	7/81
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	440,308	202,050	270,759	23,448,243	12,038,084	12,847,197	53.25	59.57	47.44
Brazil	364,123	510,322	223,117	17,328,880	21,654,699	9,131,569	47.59	42.43	40.92
Canada	515,529	971,603	887,254	32,670,593	61,519,076	51,349,310	53.86	63.31	53.89
France	351,564	571,138	531,135	18,938,220	27,621,827	28,627,287	53.86	48.36	53.89
Germany, F.R. (West)	—	—	131,377	—	—	5,901,938	—	—	44.92
Italy	708,007	1,076,370	537,560	36,398,937	50,961,484	24,919,610	51.41	47.34	46.35
Japan	1,914,694	2,230,469	2,165,569	111,855,656	129,332,446	121,766,955	58.41	57.98	56.22
Netherlands	288,146	424,647	618,105	17,129,211	21,621,827	30,797,386	59.44	50.91	49.82
Spain	194,118	371,891	323,261	10,079,947	15,246,865	15,639,437	51.92	40.99	48.38
Sweden	151,737	202,374	221,409	8,299,018	11,772,279	10,376,398	54.69	58.17	46.86
United Kingdom	99,251	—	113,520	5,582,869	—	6,432,655	56.25	—	56.66
Yugoslavia	35,962	73,013	241,587	2,348,988	4,858,867	12,323,237	65.31	66.54	50.98
Total, above	5,063,439	6,633,877	6,264,753	284,060,562	356,627,454	330,113,189	56.10	53.75	52.69
Total, other nations	943,805	474,449	683,777	48,592,123	30,122,774	6,019,395	51.48	63.49	8.80
Total, all nations	**6,007,244**	**7,108,325**	**6,948,530**	**332,672,685**	**386,750,228**	**366,132,583**	**55.37**	**54.84**	**52.69**

	Quantity in short tons 7/82	6/82	7/81	Dollar Value 7/82	6/82	Avg. Value per short ton 7/81	7/82	6/82	7/81
Bituminous coal, others No. 5213120									
Belgium	185,985	177,444	198,074	7,302,695	8,904,224	7,522,700	39.26	50.18	37.97
Canada	1,640,606	1,917,754	1,090,922	83,425,275	96,280,708	51,114,643	50.85	50.20	46.85
China, Taiwan	257,125	63,673	411,270	11,404,364	2,772,646	19,008,903	44.35	43.54	46.22
Denmark	296,062	61,269	101,691	15,058,026	2,056,537	4,933,778	50.86	33.56	48.51
Finland	79,523	32,808	67,351	3,507,667	1,488,175	3,003,949	44.10	45.36	44.60
France	257,702	504,715	484,145	11,724,139	22,762,167	20,450,349	45.49	45.09	42.24
Germany, F.R. (West)	123,123	131,331	198,825	6,870,828	6,947,963	10,135,874	55.80	52.09	21.71
Italy	259,954	346,324	466,832	12,505,621	17,847,740	21,457,500	48.10	51.53	45.96
Japan	144,027	314,530	289,135	7,595,657	14,476,559	14,788,127	52.73	46.02	51.14
Netherlands	261,466	253,595	139,565	12,207,200	13,517,427	8,246,865	46.68	53.30	48.64
Spain	167,018	323,152	291,264	8,329,467	13,739,857	13,014,458	49.87	42.50	44.68
Total, above	3,672,591	4,126,595	3,768,074	179,930,941	200,794,003	17,679,146	48.99	48.65	4.69
Total, other nations	6,307	222,187	396,004	304,502	11,282,574	174,230,329	48.28	50.77	439.97
Total, all nations	**3,678,898**	**4,348,782**	**4,165,078**	**180,235,443**	**212,076,577**	**191,909,475**	**48.99**	**48.76**	**46.07**
Lignite No. 5213130									
Total, all nations	**5,022**	**8,735**	**18,287**	**307,966**	**553,762**	**1,464,024**	**61.33**	**63.39**	**89.88**
Coal coke for use as fuel No. 5213148									
Total, all nations	**123,818**	**149,004**	**69,306**	**6,411,373**	**7,330,428**	**4,079,308**	**51.78**	**49.19**	**58.85**
Petroleum coke, except calcined No. 5213150									
Canada	40,597	39,838	146,490	2,053,250	2,388,666	8,628,171	50.57	59.95	58.89
Japan	101,991	166,600	129,915	4,794,368	8,696,840	6,414,891	47.00	52.21	49.37
Netherlands	160,576	133,756	25,351	8,651,176	7,123,147	1,380,748	53.87	53.25	54.46
Total, above	303,164	340,194	301,756	15,496,794	18,210,653	16,423,810	51.12	53.53	54.42
Total, other nations	476,762	461,742	372,188	18,276,000	21,641,217	16,973,506	38.33	46.86	45.60
Total, all nations	**779,926**	**801,936**	**673,944**	**33,774,794**	**39,851,870**	**33,397,316**	**43.30**	**49.69**	**49.55**
Compositions for fuel No. 5213160									
Total, all nations	**63**	**19,096**	**495**	**24,089**	**652,763**	**66,202**	**382.36**	**34.18**	**133.74**
Anthracite No. 5213170									
Korea Rep. (South)	38,608	—	296,861	1,256,500	—	12,724,669	32.54	—	42.86
Total, all nations	**105,697**	**44,906**	**332,183**	**6,696,122**	**4,037,035**	**15,065,676**	**63.35**	**89.89**	**45.41**

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